

LOCAL I-S NEWS

for department store workers

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JANUARY 15, 1954

MEMBERSHIP BACKS DEMAND FOR HIGHER PAY, 35-HOURS

PRESIDENT'S 'STATE OF UNION' REPORT WELCOMED

In his fifteenth anniversary "State of the Union" report, President Sam Kovenetsky won the enthusiastic support of members of Local I-S for an all-out fight for a better way of life—

both on the economic and political fronts. The members, who crowded Manhattan Center's huge auditorium, loudly applauded the President as he reviewed the historic gains made by Local I-S; lashed out at those in government, whose philosophy he termed "openly hostile to the best interests of the workers of this country"; and re-dedicated himself to militant leadership in the fight for contract improvements which is to begin when the contract re-opens on February 1st.

The membership listened intently as Kovenetsky traced the gains from 1944 when the average wage was under \$30 a week, to the present average level of more than \$61.

They shook their heads in agreement with him as he recounted the fight for such gains as the Health Plan, the Pension Plan, better sick leave and job security.

They stirred angrily as their president demanded, "Can we say truthfully that we have won all we need? Can we say that what we have won is permanently secure? The answer unfortunately must be an emphatic NO! . . . because of what is happening on the political front and the economic chain reaction which has been set in motion!"

Approve Demands

And the membership gave wholehearted approval to the president as he listed the bargaining demands established by the Executive Board and then concluded by saying, "With the kind of unity that has marked our growth and our success in the past, we will go on meeting our foe on every front and winning our battles . . . Together we will go on to new and greater victories!"

Because of its importance, the full text of President Kovenetsky's "State of the Union" message will be printed in the next issue of the Local I-S NEWS.

The membership enthusiastically backed demands for a "substantial" wage increase; a reduction in hours from 40 to 35 with no cut in weekly take-home pay; and a fully automatic two year progression system.

For further details of the demands, see Story on Page 2.

Negotiators

Vice President Phil Hoffstein, while introducing the Union's fifteen negotiators and three alternates. (Whose names are listed on Page 2), took the occasion to urge the membership to be constantly on guard against Macy attempts to destroy our unity and sidetrack our fighting program through the spread of all kinds of rumors.

Top Stewards To Get Award For Services

Starting with January 1954 Local I-S will honor its seven most outstanding Shop Stewards each year. One each will be named from the Selling, Non-Selling and Office Division and one will be named from each of the Branch Stores.

The Stewards will be judged on a strictly factual basis and will receive credits on the following check points:

1. Grievances written and processed.
2. Department participation in each of the activities listed:
 - a) Blood Bank
 - b) Union Dance
 - c) Negotiations (demonstrations, etc.)
 - d) Greater N.Y. Fund drive
 - e) March of Dimes
 - f) Any other activity, such as Defense Fund Collection, approved by the membership.

Prize Committee

The Awards Committees will be selected from each of the groups from which winners are to be selected. The Committees, however, will not judge their own group, but one of the others. In all cases, their decisions will be based solely on the Local I-S records of each of the department leaders.

For most of the Shop Stewards the annual awards will not impose added work burdens, but will simply extend recognition to those who have most skillfully performed their duties over the year.

President Sam Kovenetsky pointed out that, "The Shop Steward Awards will in all cases be based on the percentage of department participation in the Union's program. Thus, no matter what the size of his department, the Steward has the same chance as everyone else to distinguish himself."

"We know that our Stewards do not need this as an incentive to keep up their fine work. We are simply taking this means to honor and show our gratitude to those who, by their devotion and conscientious work, have done the most for the people they represent and the Union as a whole."



President Kovenetsky, "... at the end of fifteen years we find our accomplishments great, but we see new and menacing trials ahead."

CIO OUSTS '65' FOR FAILURE TO REACH REASONABLE AGREEMENT

The temporary charter granted by CIO to the Distributive, Processing and Office Workers (District 65) expired at midnight, December 31st, and was not renewed.

CIO's refusal to continue the '65' charter was based on the failure of DPO to agree to satisfactory merger terms which would have eliminated jurisdictional problems within CIO.

The decision was reached by CIO President Walter P. Reuther and other leaders after many months of patient waiting for some sign that agreement was possible between the United Department Store Workers of America (Local I-S), the Retail, Wholesale and Department Store Workers and the Distributive, Processing and Office Workers (65).

At the time that the temporary charter was issued the United Department Store Workers Vice President and Director of Organization, Sam Kovenetsky, clearly stated his terms. The only basis on which merger could be considered, said Sam Kovenetsky,

• All department store locals

affiliated with DPO must have their treasuries restored to them.

• Each such local must have full autonomy.

• All department store locals to participate in an autonomous joint board which would be the policy making body.

When it became evident that such basic conditions of trade union democracy would not be met the United Department Store Workers withdrew from the merger talks which finally reached a dead-end.

The decision of CIO to not renew the DPO charter leaves department store jurisdiction entirely in the hands of United Department Store Workers, of which Local I-S is the cornerstone.

Local I-S President Sam Kovenetsky said, "Our interest has always been to achieve the highest level of organization and representation of department store workers. We will continue to press our organizing campaign in order to win higher benefits for those now unorganized and in order to protect the high standards now enjoyed by members of Local I-S."

BRANCH STORE NEWS

PARKCHESTER

Although your reporter has been out ill and not feeling too cheery, she wishes you one and all, the very best for the New Year—Health, Happiness and PROSPERITY . . . Don't want to sound a sour note, but about the complaints I've been getting because some departments haven't had their news reported in this space—It is the responsibility of each department to let your reporter know of newsworthy items—and that is also the best guarantee that those items will be printed. One person just can't cover the entire store! So how about a helping hand and less gripes? . . . Kay Nespor of Children's Shoes and Miss Fillipone of Infant's Wear have both left for Florida to recuperate from the holiday season. The thought of warm sunshine makes most of us drool! . . . The Ladies Coat department is priming itself for an epidemic. There will soon be a whole flock of new Mothers-in-law there. And after that the race will probably be really on! . . . With negotiations coming up soon our Divisional Meeting at the Chester House in February takes on special importance. Let's be sure to be there in full force. It is still one of the best means we have of showing management that we are all solidly behind our Union's demands and that we are determined to win them!



Fay Mattimiro

FLATBUSH



Anne Bowen

Here's hoping that all of you enjoyed a pleasant holiday and that you have a good New Year. Our best to those still out ill—Helen Jacobs (Service Desk), Rita Maguire (F15), Rhea Hennessey (F19), Irene Abnors (F7), Estelle Meyers (15) and Jean Fiore (FBR) . . . Glad to know that Rose Pearlman's son is much better . . . Joan Leonard's son, who is still in the service, spent Christmas at home . . . Dotty Zimmet's son, whom we all know, is home for good . . . Our sympathy to Mildred Bailey (Nurse) and Rose O'Brien (F5A) in their recent bereavements . . . Our gang is back from Herald Square. We missed them all and know they're glad to be back home again (where they're appreciated) . . . Congratulations to Ruth Friedman (F4) on her 15th wedding anniversary. Good health, good luck, and our hopes that you will enjoy many more . . . Congratulations, too, to Ethel Cherkasky and Josephine Berger—both grandmothers have new additions in their families for 1954 . . . Two good men to know—Dr. Ted Levine and Frank Fusco (Drug Department). Know what I mean? . . . Who's romancing who—AND WILL SOMEONE BE SURPRISED WHEN THEY FIND OUT!!! No names until further notice . . . Who said I couldn't keep a secret. Don't meet me on the side and ask me who it is. I'm not a-tellin'.

WHITE PLAINS

A very happy New Year to you all. Hope you got it off to a good start and that it just keeps right on going that way . . . It has been our pleasure in the past to write of the many grandmothers we have working with us here in White Plains. But we have never had the opportunity to talk of grandFATHERS. Now we have one. Our congenial Pharmacist became a proud grandfather on December 17 when Jack Lifschitz' daughter Thelma and her husband Cliff Muller presented him with a bundle from heaven named Susan Joy. Our heartfelt congratulations, Jack! . . . I've heard tell that there are a few departments that don't feel that they are getting a fair share of the news space in this column. I can only say that everything of interest that has come my way has been printed. In fact, there have been times when I was downright hungry for news. Just get it to me and it will see the light of day. EVERYBODY IS A REPORTER, so don't be shy. You can always find me in the Rug Department (or almost always) . . . Our Divisional Meeting on February 9th will give us another chance to put on a show of our strength. Not that it's just for show, since every one of us is behind the demands we approved at Manhattan Center. Be sure to attend and Macy's will have no doubt that we mean business!

JAMAICA

This is Jerry Auerfeld reporting. I'd like to lead off by asking you, one and all, to help by getting the news to me (inJ4) just as soon as it happens. In that way I'm sure we'll be able to keep our column lively and interesting . . . Notice many beaming faces these days—Ann Smith (J4), better known as Smitty throughout the store, is a happy mother. Her son Freddie came in on furlough from Tuscon. Freddie, who was once a part timer in Macy's is now a 1st class Airman for Uncle Sam. When asked "what's cookin'," he said, "Expecting a little bundle some time in April" . . . Isaih Chaneyfield wears a swell pair of tap shoes behind the Soda Bar. He entertained some of the boys lucky enough to be on their relief periods. Isaih really has talent. Try to catch his act sometime! . . . Delighted to welcome back Edna Nierenberg, who had been out ill. Stay well, Edna . . . All our very best wishes to Carl Cardinal of the Rug Department upon the arrival of a really bouncing baby boy. Weighed 9lbs. 8 oz. and came just in time for Christmas . . . Eleanor Clade, of J4, also was the very proud receiver of a Christmas bundle—her FIFTH grandchild! This one an 8 lb. 11 oz. baby girl . . . Our Divisional Meeting is set for Wednesday, February 3rd—which is just two days after negotiations are due to start. This means that it is up to each and every one of us to be at the meeting and to give our full support to the Union's fight for higher pay and shorter hours. It's worth fighting for!!!



Bill Bittner

Board Sets '54 Demands; Plans March Of Dimes; Urges Political Action

The Local 1-S Executive Board at its regular meeting on December 29 closed out the year 1953 with the listing of a series of 1954 contract demands, the naming of a negotiating committee, endorsement of the annual March of Dimes and a renewed appeal for broader participation in the Union's political action program.

Demands

- **A substantial wage increase.** The Board devoted considerable attention to the relative merits of bargaining for a pre-determined specific amount or of fighting for the best possible general wage increase. The Board expressed full confidence in the readiness of the membership to rally in support of the wage demand, no matter how it was stated, and then voted decisively in favor of leaving the door as wide open as possible by asking a "substantial" increase.
- **Reduction in hours from 40 to 35 per week with no reduction of pay.**
- **Revamping of wage structure.**

This would include the establishment of a uniform two year progression period from minimum to maximum. The Board adopted the proposal that 40% of the spread between minimum and maximum be earned in the first year, with the remaining 60% to be earned in the second year.

Another demanded change in the wage structure would be the inclusion of the \$5.25 "Red Circle" rate into the wage structure.

- **No changed schedules to suit Macy's convenience when store is closed to public.**
- **Increased Commission rates in all straight commission departments.**
- **That Macy's not be permitted to schedule employees for work after 6:15 to suit the convenience of the company.**
- **All people hired between September 15 and January 1st to be paid prevailing minimum wage on their respective jobs and to get automatic increases as provided for all Union members.**

Negotiating Committee

A proposal to reduce the size of the Negotiating Committee was opposed by President Sam Kovenetsky and Vice President Phil Hoffstein. The Board overwhelmingly rejected the plan and then directed the Union's three officers to name a Committee of fifteen.

On the Committee are:

William Atkinson — 5th Floor
Irene Barrow — DA
Mary Boyd — 4th Floor
Ceil Curry — Flying Squad
Elvio Cotti — Basement
Vincent Gates — 9th Floor
Peter Gilhooley — White Plains
Cathryn Hall — Fin. Secy.
George Karandi — Manufacturing
Sam Levine — 2nd Floor
John Malone — Display
Robert Philips — 7th Floor
Alphonso Ramsey — Receiving
Morris Telzer — 6th Floor
Harry Webster — Passenger Elevators

Named as alternates on the Committee were:

Jerome Harte — 5th Floor
Anthony LaSalvia — Jamaica
Jack Steinman — Main Floor.

March of Dimes

With the end of the battle against polio almost in sight, the Board endorsed a vigorous campaign in support of the 1954 March of Dimes.

Funds contributed to the March of Dimes provide for complete medical, hospital and rehabilitation care for victims of polio. Funds also are used to further the research which brings victory over the dread disease within reach. March of Dimes has also heavily financed the experimental work done with gamma globulin and other preventives.

The Board, mindful of the unstinting aid given by March of Dimes to stricken members of our Union, urged full and generous support to the drive when it takes place in late January or early February.

Political Action

With major anti-labor trends in government becoming increasingly apparent, the Board concurred in the belief that an intensified program of political action is an absolute necessity.

The Board, therefore, renewed its appeal for individual volunteers who wish to work with the Union's Political Action and Legislative Committee.

The voluntary nature of the activity underscores the conviction of Local 1-S officers that action by themselves or any other small group alone cannot stem the tide of hostile court and labor board decisions or proposed legislation. Interested members are urged to give their names to their Floor Committee or Steward.

New Board Member

Welcomed to the Executive Board was newly elected Dorothy Francis, of the Controllers office.

McCarthy Record Called 'Good As Any Republican'

A back-slid Democrat who helped write the Taft-Hartley Act and is now running President Eisenhower's machinery for maintaining liaison with Congress has taken on another job-buttering up Senator McCarthy.

The butter-spreader is Gerald D. Morgan, one of the President's administrative assistants. He shares direction of the White House liaison work on Capitol Hill with Jack Martin, who formerly was the late Senator Taft's administrative chief.

In 1947 the Republican National Committee hired Morgan to put the House part of T-H into legal language, a highlight of his career that remained hidden until the Democrats made an issue of it in 1949.

The Wisconsin Republican's challenge to the President for party leadership—which he blandly denied was a defy—had no sooner overheated radio, television and newspaper telegraph wires than Martin, looking forward to next year, calmly asserted he does not expect McCarthy to be one of the White House's Congressional problems.

"We have never had any trouble with Senator McCarthy over the legislative program," he said. "His voting record is as good as any Republican in Congress."

That, according to a lot of people, is just the trouble. It may be good enough for the Republicans, but is isn't good enough for the people.

McCarthy has been in the Senate for seven years. The CIO Voting Record shows that for six of those seven years he voted "right" on just nine of 65 key issues, and "partly right" on two others. On 45 of the issues he voted "wrong," and on two he was "partly wrong." Seven times he was absent when a crucial vote was taken.

That makes him "right" a little less than 10% of the time, which isn't often enough, and wrong about 72% of the time, which is too often.

Of the 15 bills dealing directly with labor—industrial or farm—McCarthy was "wrong" 14 times. The other time he was absent.

Official Union Buttons On Sale

"It is our hope that every member will become a proud wearer of a Local 1-S Union button," said President Sam Kovenetsky.

He commented that most workers are pleased to see a Union button on others, because they then know that they are all part of the organized fight for a better way of life.

Neat and attractive Union buttons are now available at the Union office for only 50 cents. You'll want to wear them—everywhere.

Members Aid Palsy Fund

Union members in the Luggage Department at the Herald Square Store announced that they had collected \$100 which was turned over to the Cerebral Palsy Fund. The collection was in lieu of a customary exchange of personal holiday gifts.

**FREE
LEGAL AID CLINIC
at the
UNION OFFICE
Every Wednesday
5 to 7 P.M.**

LOCAL 1-S NEWS

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UNION BRANDS DISCHARGES AS UNJUST—DEMANDS ARBITRATION

Local I-S has notified Macy's that the Union will demand arbitrators' decisions in two discharges which were described as "unjust to the extreme."

The intended victims are Harry Alberti, fired for not withstanding Macy pressure, and Clifford Smock, fired for resisting it.

Alberti, a beautician in the Macy salon since its opening in 1952, volunteered to work the bonus. To complete his schedule, Macy's assigned him to the Flying Squad, which in turn sent him to work at the Main Floor Tables.

Since Macy's wasn't willing to take the time to train him, they gave him only a simple set of instructions. When you make a sale, they said, turn it over to another clerk who will write it and ring it up.

But, as was to be expected in the last days before Christmas, Alberti found his co-workers so rushed that they scarcely had time for their own work. Rather than keep anxious customers waiting, they cut corners by leaving cash on the register until his co-workers had a moment. When he was advised that this procedure was a violation of the store rules he again took to waiting.

Then late one afternoon two professional shoppers approached him. One became a satisfied "customer." But rather than keep the second one waiting until another clerk could ring up the first sale, he obliged by starting to wrap his package. He freed both hands by putting the first customer's cash in his pocket. And protection lowered the boom!

Says Macy's—regardless of circumstances, the fact that he put the money in his pocket for even an instant is grounds for discharge.

Says Local I-S—We'll let an arbitrator decide!

Next Case!

Clifford Smock observed his 8th anniversary in Macy's by being fired.

Smock, who works in the Picture and Mirror Department, was quite properly waiting on a customer when another customer asked an-

other salesclerk about an order she had not received.

A normal exchange of questions and answers then took place between Smock, the second salesclerk and the second customer, with Smock then returning to the servicing of his own customer, leaving the other in perfectly competent hands.

It was then that Supervisor Parsen lit the fuse. Parsen, who had only three weeks before been charged by a customer with rudeness, interrupted Smock with repeated demands that he be shown where the second customer's picture was.

Smock, in turn, was patiently insisting that the customer was being taken care of. Finally upset by the executive's badgering, Smock left his customer to 'wait on the supervisor.' He then asked the executive to have someone else take his waiting customer since he was upset and had to leave the floor.

Five minutes later he signed back in and was sent to Assistant Superintendent Whalen's office. Hours later (with time out for lunch) he was told to clock out and return the next day. On the following day he saw Miss Whalen for the first time and was immediately told to go to the Employment Office, at which point he was unceremoniously fired!

Petition Signed

Eighteen indignant members of Smock's department sent a petition to Macy's Labor Relations chief Fred Fischer. In it they said, "Many of us in the department have found occasion when Mr. Parsen made it extremely difficult for us to keep from talking back to him. Some of us also have had to leave the floor to get over it as Mr. Smock did."

"We believe an injustice has been done and we beg you to use the powers of your office to investigate the entire background of this discharge..."

To date Macy's has given no sign of wanting to really dig into the facts. So, says Local I-S—We'll let an arbitrator decide!

GOP Plots A Back Door Attack On Social Security Benefits

The Republican Administration, with a growing pro-big business, anti-labor record, is busily trying to hide its plot to scuttle Social Security beneath a pious claim that it is intent on saving the workers another tax increase.

When you got your first pay in January you no doubt noticed that two cents of every dollar, instead of one-and-a-half cents, was being withheld as your Social Security tax.

This is because in 1950 your benefit rights were greatly increased, and this tax rise was written into the law at the same time. As a result of the 1950 changes in the law, the minimum benefit went up from \$10 to \$25, and the maximum family benefit from \$85 to \$169.

The U. S. Chamber of Commerce, along with other Big Business groups, is determined to do everything they can to stop any use of federal funds for old-age assistance. They know the people would stop them dead in their tracks if they attacked Social Security head-on, so they are using other tactics.

First, and foremost, they have seized on this tax increase, which averages about 35 cents a week, and have opposed it. They try to appear before the people as their protectors against increased taxation, yet they are the very same people who favor a federal sales tax and are responsible for eliminating the excess profits tax and the maintenance of high personal

income taxes.

But the Social Security tax increase is essential to the continuation of retirement benefits. As time goes by, there are more and more people becoming eligible for benefits. Without the increase, the government will begin to rapidly dig into the 18 billion reserve fund, which would soon be exhausted.

At that point, if the Chamber of Commerce has its way, Social Security will be shifted to a "pay-as-you-go" basis, rather than an insurance plan basis. Benefits would be slashed drastically, and in many cases would disappear entirely.

Again, in an attempt to make this attack seem palatable, the enemies of Social Security say that they favor a broadening of the program. They say that they want to pay a miserly \$30 a month to aged people who are now uninsured. But, they want to pay that out of the \$18 billion trust fund—and that would lead to its more rapid exhaustion and the destruction of all Social Security.

Local I-S, along with the rest of CIO, is backing the Lehman-Dingell Bill, which would

- provide much better pensions and survivors' benefits.
- Pay benefits to workers who are disabled by sickness or accident, whether temporarily or permanently.
- Cover more jobs.

We also favor a more ade-

Latest Ruling Shows NLRB As Anti-Labor As T-H Act

The National Labor Relations Board took another long step toward the elimination of all protection previously enjoyed by workers under the Wagner Act.

The Board's latest decision was so bold that not even the late Senator Taft or ex-Representative Hartley dared write it into the anti-labor law which bears their names. The National Retail Dry Goods Association (of which Macy's is a member), however, did not think the Board went far enough in restoring Union-busting rights to the employers.

The most recent ruling was handed down in cases involving CIO's United Furniture Workers and Amalgamated Clothing Workers. The Labor Board, in its decision, returned to the Employer the right to call meetings in the shops and to speak freely against the union.

The Wagner Act had barred such actions because they could be used only to intimidate, either openly or behind a thin veil, the workers involved in pending Labor Board elections.

No Penalties

Under the Board's decision the only thing that can happen if the employer openly interferes with the workers' right to vote freely is that the Board will order a new election. The employer is subjected to no penalties, however, for his interference.

The Board also ruled that the employer is no longer required to give the union equal time, on the premises, to reply to any anti-union statements the employer may make.

The majority decision of the NLRB said, in part:

"We find nothing in the statute which even hints to restrict at any

Congressional intent to restrict an employer in the use of his own premises for the purpose of airing his views.

"On the contrary, an employer's premises are the natural forum for him, just as the union hall is the inviolable forum for the union to assemble and address employees."

Dissenting from the majority decision was Mr. Abe Murdock, one of the few remaining appointees of the Democratic Administration. He said:

"I cannot believe the majority action in holding that employers may lawfully monopolize the most effective forum of persuading employees is consistent with the declared Congressional policy which is not that of neutrality but of 'encouraging the practice and procedure of collective bargaining.'"

Practically every employer's speech on company time and property is designed to perpetuate individual bargaining and to discourage collective bargaining."

As reported in the January 1 issue of the Local I-S NEWS, the Labor Board had just handed down a decision upholding the employer's right to intimidate his workers, so long as he did it in the form of a "prophecy" instead of a threat as to what would happen if the union won an election.

These two decisions—giving the boss the right to "prophecy" and now giving him the right to call meetings on company time without the union being able to talk back—both have added to the strength of the anti-labor campaign launched by the present national administration.

Stepped-up political action holds the key to labor's ability to stop and to smash these attacks inspired and directed by big-business.

quate program to provide for the present aged, widows, orphans and others not entitled to insurance benefits, to be financed from general taxes, as at present.

Lehman-Dingell Bill

The Lehman-Dingell Bill would help the typical worker in the following ways:

A worker with full-time average earnings of \$300 a month would get the following improved protection.

His pension, for himself and an aged wife, would be \$155 a month as compared with \$110 in the present law.

If he dies—at any age—leaving a widow and two young children, they would get \$200 instead of \$145 a month.

If he is permanently disabled, this family would get \$200 a month instead of nothing.

If he can't work for a while because of sickness or accident, this family would receive \$45 a week from the federal program.

He would pay higher taxes, but they would buy much more security.

Workers with different earnings would receive similar improvements, though the amount in each case would vary with actual earnings and length of time worked.

You Can Help

You can help make sure this tax is used to protect you and your family. Your own benefits beginning at 65 will be an important part of your retirement income, along with pensions your Union has negotiated for you.

• Explain to others that a) the present Old-Age and Survivors Insurance system is sound, b) the good faith of the government is behind the benefits already enacted, and c) the nation can afford and must enact a still better program, including higher benefits and disability insurance.

• Urge your Senators and Congressman to support the Lehman-Dingell Bill and to reject attacks such as those of the Chamber of Commerce and Congressman Curtis, Chairman of the House Social Security Subcommittee.

• Support improved programs for persons not now covered by Old-Age and Survivors Insurance, but insist that these be financed from general tax revenues—not out of the OASI trust fund. Oppose the effort to end federal grants to states for public assistance.

• Don't be misled by those who want to postpone the increase in OASI taxes in 1954. By paying slightly more in 1954 we can best pave the way for a better program without too heavy taxes later.

• Congress will soon be considering the changes urged by the Chamber of Commerce. The Lehman-Dingell Bill will also come before the Congress soon.

• Write your letter or postcard TODAY and let YOUR representative know what YOU want!



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your husband
or wife . . .
or children
under 18 . . .

or parents (if you're single)
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CIO Warns: Federal Sales Tax Would Hasten Economic Skid

A general sales tax amounts to a "wage cut" and passage of a federal sales tax law could speed up the downward trend of the nation's economy.

Any sales tax or manufacturers' excise tax would curtail consumption at a time when defense spending and business investment are levelling off. *Either would impose a tax rate up to 60 times heavier on the poorest families than on the richest.*

So reported the current issue of Economic Outlook, published by the CIO Department of Education and Research.

Entitled "Behind the Drive for a Federal Sales Tax," the Outlook described the campaign for sales or manufacturers' excise taxes as "bad economics" and "unfair to the millions of lower and middle-income families."

The CIO publication noted that Dr. Neil Jacoby, appointed recently by President Eisenhower to his Council of Economic Advisors, in 1938 wrote that "the evil of sales taxes is magnified during the downward swing of the business cycle."

Danger to Economy

Sales tax legislation would be "particularly dangerous to the national economy at this time," the Outlook said, when "defense spending and business investment are levelling off."

"To sustain economic growth, consumer spending must rise and personal consumption must be encouraged," the report said. "But a general sales tax or a manufacturers' excise tax would curtail consumer purchases of goods and

services. In effect, a general sales tax is a wage cut."

The Outlook commented that "to extend sales tax legislation at this time could well magnify the downward trend of the national economy that is now becoming apparent."

The publication also quoted from Dr. Jacoby's 1938 study on "Retail Sales Taxation" that "a sales tax on all consumers' expenditures is equivalent to a tax rate on income 16 to 20 times higher for the family with \$1000 income than for the family with \$1 million income. If the sales tax is limited to tangible merchandise (such as a manufacturers' excise tax), it results in a levy on income at a rate about 60 times higher on the lowest than on the highest income."

The sales tax, the Outlook noted, has "sometimes been defended on the grounds of equal treatment for all. But it is the type of equality that says to millionaire and pauper alike: 'you are both equally free to sleep on a park bench.'"

The CIO publication said that, "basically a sales tax and a manufacturers' excise tax are the same thing—a tax on consumption, not a tax based on ability to pay. Both result in increased living costs." And it pointed out that the manufacturers' excise tax is hidden and can be pyramided far more than the tax itself.

The following example illustrates how this could be done:

If the manufacturer's price on an item is \$4, the 5% excise tax would raise it to \$4.20.

If the wholesaler's mark up on that item is 12%, he would then add that to the \$4.20, bringing the wholesale cost to \$4.73.

If the retailer's mark-up is 66% he would then add it to the \$4.73, bringing the retail price to \$7.89. This adds up to an increase of 39 cents—instead of the 20 cents added by the tax!

Too Many Loopholes

Federal sales taxes or manufacturers' excise taxes, the Outlook continued, would "undermine the progressive nature of the federal tax structure, which has already been weakened by ineffective enforcement and loopholes that benefit upper-income families primarily."

"If a federal manufacturers' excise tax is enacted," the publication said, "it will be used to eventually replace parts of our individual income tax structure. While this is what an Administration dominated by big business would like to do, it is contrary to the best interest of all the American people."

The Outlook said that if the Administration is "really interested in raising the amount of revenue that a 5% manufacturers' excise tax would raise, it could be done more equitably through closing the loopholes and gaps in the present federal tax structure."

Act Now!

There is every reason to believe that unless Congress is flooded with mail opposing the sales tax or manufacturers' excise tax one plan or the other will become law.

Write to **YOUR** congressman **TODAY** and let him know what **YOU** think!

OFFICIAL NOTICE

Divisional Meeting Schedule

This is the only official notice to be given for Divisional Meetings. Admission will be by 1953 or '54 Union cards.

An unexcused absence will be

liable to a \$2 assessment to Welfare Fund as provided for in Article IX, Section 4 of the L-1-S Constitution.

BE SURE TO ATTEND!

GROUP	DATE	TIME	PLACE
4 Floor (PT) *	Wed. Jan. 27	5:00	Auditorium**
4 Floor (FT) *	Wed. Jan. 27	6:45	Auditorium
Supply Dept.	Wed. Jan. 27	6:30	Conference**
8 Floor (PT)	Fri. Jan. 29	5:00	Auditorium
8 Floor (FT)	Fri. Jan. 29	6:30	Auditorium
Parkchester	Mon. Feb. 1	6:15	Chester House
DA	Tues. Feb. 2	6:30	Auditorium
Jamaica	Wed. Feb. 3	6:15	Jamaica Hall
5 Floor (PT)	Wed. Feb. 3	5:00	Auditorium
5 Floor (FT)	Wed. Feb. 3	6:45	Auditorium
Food Dept. (PT)	Wed. Feb. 3	4:45	Conference
Food Dept. (FT)	Wed. Feb. 3	7:15	Conference
Housekeeping	Fri. Feb. 5	10:15, 11:15 a.m. 3:15, 5:15 p.m. 6:30 p.m.	Auditorium
Flatbush	Mon. Feb. 8	6:45	Astor
White Plains	Tues. Feb. 9	6:30	UE Hall
Basement (PT)	Tues. Feb. 9	5:00	Auditorium
Basement (FT)	Tues. Feb. 9	6:45	Auditorium
Mfg.	Wed. Feb. 10	6:30	Auditorium
Comp. Shopping	Thurs. Feb. 11	6:30	Auditorium
Main Floor (PT)	Fri. Feb. 12	5:00	Auditorium
Main Floor (FT)	Fri. Feb. 12	6:45	Auditorium
Adv-Display (PT)	Mon. Feb. 15	4:30	Auditorium
B. Stand'ds			
Adv-Display (FT)	Mon. Feb. 15	6:30	Auditorium
B. Stand'ds			
Receiving	Tues. Feb. 16	6:30	Auditorium**
9 Floor	Wed. Feb. 17	6:30	Auditorium
MTE	Wed. Feb. 17	6:45	Conference
6 Floor (PT)	Fri. Feb. 19	5:00	Auditorium
6 Floor (FT)	Fri. Feb. 19	6:45	Auditorium
Contingents	Wed. Feb. 24	6:30	Auditorium**
3 Floor (PT)	Fri. Feb. 26	5:00	Auditorium
3 Floor (FT)	Fri. Feb. 26	6:45	Auditorium
2 Floor (PT)	Tues. Mar. 2	5:00	Auditorium
2 Floor (FT)	Tues. Mar. 2	6:45	Auditorium
7 Floor (PT)	Fri. Mar. 5	5:00	Auditorium
7 Floor (FT)	Fri. Mar. 5	6:45	Auditorium
Packing	Tues. Mar. 9	6:45	Auditorium
ASD (PT)	Wed. Mar. 10	4:30	Auditorium
ASD (FT)	Wed. Mar. 10	6:30	Auditorium

*PT, Part Time, FT, Full Time

**At Union office, 290 7th Avenue (Between 26 and 27 Streets.)

***Combined PT-FT, meeting to elect Executive Board member.

TO THE EDITOR

GRAND HEALTH PLAN

I want to thank Local L-S for their grand Health Plan. One just can't realize how wonderful such a Plan is until they become hospitalized.

I would be afraid without it. I would be in debt forever. I want every member to know how very fortunate we are.

Many thanks for the nice book and cards.

In deep appreciation for all you have done for me.

Most sincerely,
Blanche Cooper, 157 Dept.

DEAR READER

As you are no doubt aware, the last several issues of your local L-S NEWS has broadened its coverage of news affecting all of labor.

The rulings of the National La-

bor Relations Board; court decisions; Congressional thinking on such measures as a federal sales tax and the Butler Bill; and a report on a "full employment" conference are typical of the new content which has been added to our columns.

We have covered these stories, because it is our considered judgment that they are of great importance to you. It is our belief that what you think and what you do in defense of your living standards must be based on a fully informed knowledge of what is going on in the world around you.

The important thing that we do not know it **WHAT DO YOU THINK?**

Are we ringing the bell or are we missing by a mile? Have we gone far enough in expanding our sphere of interest or are there still areas of general interest which are being neglected?

Only you can help us with the answers to these questions. You, the reader, must be judge and jury. It is up to you to let us know what you think and what more you want.

As we have said so many times, the Local L-S NEWS is YOUR paper. Your contributions and your opinions are vital to our success.

Now that the mad rush of the holiday season is over, why not

take a few minutes to drop us a line. Let us know what's on your mind—whether it's a shop problem or a suggestion or a comment on something we've already published.

And while you're writing, just in case you haven't yet, you might enclose your dollar bill for your 1954 subscription.

We look forward to hearing from you soon.

The Editor

HEALTH PLAN NOTE

If you plan to take a leave of absence (including military leave) for more than 30 days or if you leave the store and wish to continue your Health Plan coverage on a direct payment basis **YOU MUST** see the Local L-S Health Plan Consultant at the Union office within 30 days from the end of the month in which you leave the store.

If you, or a member of your family covered by the Health Plan, enters the hospital you **MUST** call on the Union office for claim forms immediately on entering or as soon as possible thereafter.

Protect yourself — protect your family — protect your benefits. Be sure to come to the Union office on time!

PERSONALS

FOR SALE—Taylor Tot Stroller in perfect condition and Bilrite Carriage (Coach) in good condition. Reasonable. Phone evenings, UL 9-0520.

Personal ads for the Local L-S NEWS must be received at the Union office by the 1st or 15th day of each month. Ads received on the 1st will appear in the issue dated the 15th. Those received on the 15th will appear in the issue dated the 1st of the following month. This is offered as a service to members of Local L-S and there is no charge for personal ads.

MEDICAL PLAN—For the name and address of the doctor, dentist, optometrist or podiatrist nearest you **CALL** the Union Office—WA 4-4540 or Associated Physicians Medical Group—BU 8-4210 (Night or Day). Complete schedule of fees available upon request.

BLOOD BANK—If you need blood from the Blood Bank **CALL** the Union Office—WA 4-4540.

DO YOUR SHOPPING
at the
UNION OFFICE . . .
CUT RATE
MAGAZINE
SUBSCRIPTIONS
NOW ON SALE
Save Money On All Periodicals
BE WISE . . .
SAVE MONEY . . .

nk CALL